

REMARKS

Claims 1-19 are pending in the application. The applicant gratefully acknowledges the examiner's indication that claims 16 and 17 contain allowable subject matter. However, the applicant respectfully requests reconsideration of the rejection of claims 1-15 and 18-19.

Claim Rejections under 35 U.S.C. §§ 102(b) and 103(a)

The applicant respectfully traverses the examiner's rejection of claims 1-15, and 18-19 as obvious over Aggarwal, U.S. Patent No. 6,239,867 in view of Newman et al., "a multimedia solution to productivity gridlock: a re-engineered jewelry appraisal system at Zale Corporation," MIS Quarterly v. 18 n. 1, 3/1994.

A declaration by the applicant Peter J. Malnekoff pursuant to 37 C.F.R. § 1.131 ("the Rule 131 Declaration") was filed on August 26, 2003. The Rule 131 Declaration demonstrates that the invention claimed in this application was conceived by Mr. Malnekoff prior to May 28, 1998, and that Mr. Malnekoff was reasonably diligent in reducing the invention to practice. In the office action dated November 18, 2003, the examiner indicated that the Rule 131 declaration "has been considered but is ineffective to overcome the Aggarwal reference." Reconsideration of this position is respectfully requested. The examiner persists in citing the Aggarwal patent in the claim rejections.

Thus, the claim rejections based on Aggarwal are improper and should be withdrawn, despite the examiner's conclusory statement that "upon review of the provisional application, support exists for the claim limitations." In this regard, the office action is incomplete. Under 37 C.F.R. § 1.104(c)(2), the examiner must designate as nearly as practicable the specific part(s) of each supporting reference used to establish a finding of obviousness. Additionally, § 1.104(c)(2) states that "[t]he pertinence of each reference, if not apparent, must be clearly explained and each rejected claim specified." It is respectfully submitted that

the examiner's action does not clearly explain the pertinence of the Aggarwal provisional application and the specific parts thereof used to support the § 103(a) rejections.

Accordingly, it is respectfully submitted that the examiner has failed to comply with § 1.104(c)(2) and, therefore, the examiner's action is incomplete under 37 C.F.R. § 1.104(b). Nevertheless, the applicant submits the following response to the § 103(a) rejection of the claims.

As will be set forth in further detail below, the subject matter disclosed in Aggarwal that is relied upon by the examiner in rejecting the claims of this application does not have support in the provisional application Serial No. 60/068,033, filed on December 18, 1997, upon which the Aggarwal patent claims priority. Accordingly, the Rule 131 Declaration serves to swear behind the Aggarwal reference.

In the office action, the examiner continues to improperly rely upon portions of Aggarwal in rejecting the applicant's claims that are not supported in the Aggarwal provisional patent application. For example, in rejecting the applicant's claims 1-15 and 18-19, the examiner relied upon Aggarwal's alleged teaching of "the intended use of general query of the database for current market price information (col. 16, lines 25-40, claims 31, 34, 35)."

Applicant again respectfully but vehemently points out that this disclosure material relied upon by the examiner from the Aggarwal patent is entirely absent from the Aggarwal provisional patent application. Similarly, the Aggarwal provisional application does not disclose or suggest a processing device adapted to compute a pricing estimate for use in an evaluation report based upon gemstone data received, as the text cited by the examiner at col. 16, lines 25-40 and at claims 25-26, and 31 of the Aggarwal patent find no support in the Aggarwal provisional application. Accordingly, the effective date of such teachings of Aggarwal do not extend back to the filing date of the Aggarwal provisional application

(December 18, 1997), but instead only are entitled to an effective date of May 28, 1998, the filing date of the nonprovisional application from which the Aggarwal reference is a continuation.

In addition, the Newman et al. reference requires the actual presence of the gemstone being evaluated, and does not use predetermined gemstone data. See, for example, page 24, where Newman et al. states: "Digital calipers and a highly sensitive digital scale are used to measure and weigh the jewelry. They are connected to the workstation through serial ports." Thus, Newman et al. teaches away from the invention because it indicates that the gemstone must be present, and uses gemstone data that is determined concurrently with the evaluation of the gemstone, rather than using predetermined gemstone data.

In addition, and perhaps most importantly, the Aggarwal provisional application, as it includes extensive new matter (and should be thus treated as a continuation-in-part of the provisional "parent" application) is not available as a prior art reference, as it does not contain support for the invention claimed as required by 35 U.S.C. §112, first paragraph. See, MPEP § 2136.03 IV. *See also, In re Wertheim*, 646 F.2d 527, 537 (CCPA 1981):

If, for example, the PTO wishes to utilize against an applicant a part of that patent disclosure found in an application filed earlier than the date of the application which became the patent, it must demonstrate that the earlier-filed application contains §§ 120/112 support for the invention claimed in the reference patent.

In this case, the examiner has not, and cannot, demonstrate that the Aggarwal provisional application contains support for the invention claimed in the Aggarwal patent. For example, the Aggarwal provisional application contains no support for claims 25-26, 31, or 35 of the Aggarwal patent. Accordingly, the Aggarwal patent is not entitled to be used as prior art over the present application.

The examiner's statement in paragraph 9 of the office action is not understood. The applicant is not required to "establish a reduction to practice prior to the effective date of

the provisional reference," but instead is only required to establish a reduction to practice prior to the nonprovisional filing date of Aggarwal, since the Aggarwal reference contains new matter for which no support is found in the provisional. This requirement has been met by the Rule 131 declaration previously submitted.

In light of the foregoing, the rejections based upon Aggarwal have been overcome by the Rule 131 Declaration previously submitted. Accordingly it is respectfully submitted that the rejection of claims 1-15, and 18-19, as obvious over Aggarwal in view of Newman, has been overcome and should be withdrawn.

The applicant also respectfully traverses the examiner's rejection of claims 8 and 15 as anticipated by or obvious over Newman et al, and the examiner's rejection of claim 1 as obvious over Newman et al. As noted above, Newman et al. teaches away from the invention because it indicates that the gemstone must be present, and uses gemstone data that is determined concurrently with the evaluation of the gemstone, rather than using predetermined gemstone data. Newman et al. fails to disclose or suggest a system or method of evaluating a gemstone that does not require the presence of the gemstone. Newman et al. also fails to disclose or suggest the use of predetermined data. To the extent an "adoption sheet" is referenced in Newman et al., it is only mentioned to the extent that it can be corrected based on the gemologist's examination of the actually present jewelry: "If adoption sheet data is available, the gemologist modifies data elements that now differ from the original specifications because of the current condition of an item." Newman et al. at page 24. Thus, the "adoption sheet data" of Newman et al. is not at all used as input data for evaluating a gemstone. Again, Newman et al. teaches away from the invention of claims 1, 8, and 15.

Furthermore, the examiner is incorrect in stating that it "would have been obvious to input the information from the sheet since the system does not need the gemstone since the information is input by a user and not by a measurement device, or sensor." Quite to the

contrary, Newman et al. does teach that the information is input by a measurement device, or sensor -- this is precisely what is explicitly stated at page 24: "Digital calipers and a highly sensitive digital scale are used to measure and weigh the jewelry. They are connected to the workstation through serial ports." Accordingly, Newman et al. does teach that the information is input by a measurement device, or sensor.

In light of the foregoing, the rejections based upon Newman et al. are improper and should be withdrawn.

Conclusion

It is respectfully submitted that this application is now in condition for allowance. Should the examiner wish to discuss the foregoing, or any matter of form or procedure in an effort to advance this application towards allowance, she is respectfully invited to contact the undersigned attorney at the indicated telephone number.

Respectfully submitted,

MARSHALL, GERSTEIN & BORUN LLP

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By:



Gregory C. Mayer

Reg. No. 38,238

Attorneys for Applicants

6300 Sears Tower
233 South Wacker Drive
Chicago, Illinois 60606-6357
(312) 474-6300